

INTERVENTION

Arizona Corporation Commission

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IRONMENTAL SERVICES DEPARTMENT

Water & Waste Management Services Division 1001 N. Central Ave., Suite 150.

Phoenix, Arizona 85004 RECEIVED (602) 506-6672

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(602) 506-5813 (FAX)

December 12, 2002

Lyn Farmer, Chief Administrative Law Judge Hearing Division Arizona Corporation Commission 1200 West Washington, WS 01202

WS-01303A-02-0633

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ARIZONA CORPORATION COMMISSION HEARING DIVISION

RE:

85007

Request to Intervene in Water Utility and Wastewater Utility Cases within Maricopa County. Specific Request to Intervene in Arizona American Water Company Application for Certificate of Convenience and Necessity.

Dear Ms. Farmer:

Phoenix Arizona

The Maricopa County Department of Environmental Services is responsible for review and approval of water and wastewater facilities and infrastructure within Maricopa County in accordance with the County Environmental Health Code and delegated State Administrative Code.

I respectfully request that this Department receive notice of hearings or other public meetings that will enable intervention in cases that pertain to the granting of water and sewer Certification of Convenience and Necessity (CC&N's) to private companies.

Primary interest at this time is in any water or sewer CC&N applications within the rapidly growing western and northwestern areas of Maricopa County. Specifically, in January of 2003 the Arizona American Water Company (AAWC), Aqua Fria Water Division will be heard by the Commission in the matter of its CC&N application for a large area in Northwestern Maricopa County.

Please consider this letter as a formal request to intervene in the hearing of this AAWC application.

The area applied for within the AAWC application is preliminarily platted for over 5000 homes and will serve approximately 20,000 County residents at full build-out (including State Lands not yet platted). The County has not approved the designs for water and sewer as shown in the Company's application to the Commission. These designs show large gas chlorinating facilities in dense residential areas, numerous lift stations, and pressurized sewage force mains, including one force main that crosses the Aqua Fria River and upon which all 20,000 residents will be dependent. The financing and construction of these facilities will not be accomplished by AAWC, but by a loose consortium of private developers who will turn these systems over to AAWC.

This Department has been informed that costs (capital and tap fees) have already been apportioned to Developers based on development agreements that reference water and sewer designs proposed within AAWC's application to the Commission. Due to the method of financing and construction, this Department has a concern that the apportioned costs may not be based on designs that assure safety, adequate conservatism, and redundant features to assure uninterrupted service.

The County has repeatedly requested of AAWC and of Developers within this area, master plan sewer and water designs for review and approval. We seek to have input to the master plan design, so when costs are apportioned, and rates proposed that these costs and rates are based on designs approved by Maricopa County.

Communication and cooperation between this Department and AAWC has been positive and constructive, but additional assurances are needed regarding the designs for this proposed water and sewer service area.

Please contact me at (602) 506-6672 if you need additional information. In accordance with ACC instructions, this Department shall send a copy of this letter to the Arizona American Water Company.

Sincerely,

Steven G. Borst, P.E.

Manager, Subdivision Infrastructure and Planning Program

Water and Waste Management Services Division

Steven & Borst

cc: Jim Fisher, Utilties Division, Arizona Corporation Division

Blaine Akine, Arizona American Water Company

John Power, MCESD